



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Monday Evening, January 07, 2008

Major Developments

Storms Batter West Coast, Knock out Power to 2.75 Million Customers over Weekend

Beginning January 4, a series of powerful wind, rain and snow storms struck the West Coast, damaging more than 500 miles of power lines and knocking out electricity service at one point or another to more than 2.75 million customers. As of 2:30 pm EST January 7, approximately 109,000 customers remain without power in California, Oregon, Washington State, Utah and Colorado, according to the latest reports from utility websites and local media outlets. Pacific Gas & Electric (PG&E), which serves Northern California including the San Francisco Bay area, was the hardest hit utility with an estimated 2.2 million customers affected since the storms began. As of morning January 7, PG&E reported 100,000 customers without power, mostly in the North Coast and Sierra Nevada regions. More than 600 PG&E crews and additional crews from other utilities are working to restore power but the company anticipates that customers in the most severely affected areas will be without service until later in week as weather conditions have delayed outage assessments and restoration efforts. The California Office of Emergency Services reports that as of 4:00 pm EST January 6, PG&E was in the process of establishing power to two major DWR reclamation pump stations in Sutter County which were taken off line as a result of the storm.

West Coast Storms Customer Power Outages			
January 4 – 7, 2008			
Electric Utility	State	Affected Customers	Latest Reported
Pacific Gas & Electric	CA	2,200,000	100,000
Southern California Edison	CA	301,400	205
Sacramento Municipal Utility District	CA	150,000	5,000
Los Angeles Dept. of Water & Power	CA	42,000	0
San Diego Gas & Electric	CA	15,300	325
Pacific Power	WA/OR/CA	30,000	1,400
Portland General Electric	OR	5,000	200
Puget Sound Energy	WA	2,000	0
Seattle City Light	WA	700	0
Rocky Mountain Power	UT	4,500	300
La Plata	CO	4,425	2,000
Total Affected		2,755,325	109,430

Note: "Affected Customers" captures company estimates of customers who have experienced outages since the beginning of the storms on January 4. "Latest Reported" captures the latest reported number of outages as of 2:30 pm EST January 7.

Sources:

Pacific Gas and Electric as of morning 1/7/08 <http://uk.reuters.com/article/oilRpt/idUKN0740917520080107>
http://pge.com/news/news_releases/q1_2008/080106.html

Southern California Edison as of 4:00 pm EST 1/6/08 <http://www.sce.com/Safety/Events/>

Sacramento Municipal Utility District as of 11:54 am EST 1/7/08 <http://www.smud.org/power/outage-response.html>

Los Angeles Dept. of Water & Power as of 9:30 am EST 1/6/08 <http://www.ladwpnews.com/go/doc/1475/187979/>

San Diego Gas & Electric as of 2:12 pm EST 1/7/08 <http://outages.sdge.com/publicOutageWeb/servlet/OutageList>
http://public.sempra.com/newsreleases/viewpr.cfm?PR_ID=2237&Co_Short_Nm=SDGE

Pacific Power as of 12:00 am EST 1/7/08 http://www.kndo.com/Global/story.asp?S=7586923&nav=menu484_2_8

Rocky Mountain Power as of 2:20 am EST 1/7/08 http://www.sltrib.com/news/ci_7899975

Portland General Electric: <http://www.kptv.com/news/14982414/detail.html>

<http://www.argusobserver.com/articles/2008/01/06/news/doc4780b9f6807d9667393655.txt>

Puget Sound Energy: http://www.kndo.com/Global/story.asp?S=7581864&nav=menu484_2_8

Seattle City Light: <http://www.bellinghamherald.com/255/story/282699.html>
La Plata Electric Association as of 11:00 am EST 1/7/08 http://www.lpea.com/company_info/outage_hotline.htm
Rocky Mountain Power: http://www.sltrib.com/news/ci_7899975
http://www.kutv.com/news/local/story.aspx?content_id=70088880-9911-4a8c-b5de-85c33fb09c24

Electricity

Entergy's 966 MW River Bend Nuke Unit 1 in Louisiana Shut January 7

According to the Nuclear Regulatory Commission, the unit was operating at 88 percent on January 6.
Information derived from NRC Power Reactor Status Reports:
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Luminant's 750 MW Martin Lake Coal-fired Unit 2 in Texas Shut January 5

Reuters, 10:40 January 7, 2008

Dynegy's 510 MW Moss Landing Gas-fired Unit 2 in California Shut January 4

Reuters, 18:50 January 4, 2008

Mirant's 317 MW Pittsburg Gas-fired Unit 6 in California Shut January 6

Reuters, 10:40 January 7, 2008

Calpine's 300 MW Sutter Gas-fired Unit in California Shut January 6

Reuters, 10:40 January 7, 2008

Complete's 259 MW La Paloma Gas-fired Unit 4 in California Shut January 6

Reuters, 10:40 January 7, 2008

Mirant's 206 MW Potrero Gas-fired Unit 3 in California Shut January 6

According to the California Independent System Operator, the unit experienced an unplanned outage on January 6.
<http://www.caiso.com/unitstatus/data/unitstatus200801061515.html>

Duke's 175 MW Southbay Gas-fired Unit 3 in California Shut January 6

According to the California Independent System Operator, the unit experienced an unplanned outage on January 6.
<http://www.caiso.com/unitstatus/data/unitstatus200801061515.html>

Update: TVA's 1,118 MW Browns Ferry Nuke Unit 3 in Alabama Ramped Up to 19 Percent January 7

The unit shut December 31 due to a load reject signal on a generator.
Bloomberg, 10:05 January 7, 2008
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

TVA's 1,118 MW Browns Ferry Nuke Unit 2 in Alabama at Full Power January 5

According to the Nuclear Regulatory Commission, the unit was operating at 90 percent on January 4.
Information derived from NRC Power Reactor Status Reports:
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: Exelon's 1,116 MW Peach Bottom Nuke Unit 2 in Pennsylvania at Full Power January 7

According to the Nuclear Regulatory Commission, the unit was operating at 60 percent on January 5, and 89 percent January 6.
Information derived from NRC Power Reactor Status Reports:
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: Duke's 1,100 MW McGuire Nuke Unit 1 in North Carolina at Full Power January 6

According to the Nuclear Regulatory Commission, the unit was operating at 89 percent on January 5. Information derived from NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: PSEG's 1,049 MW Hope Creek Nuke Unit 1 in Delaware at Full Power January 7

According to the Nuclear Regulatory Commission, the unit was operating at 20 percent on January 6. Information derived from NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: Luminant to Restart 793 MW Monticello Coal-fired Unit 3 in Texas January 7

According to filings with state regulators, Luminant shut the unit January 3 to repair a boiler tube leak.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=101777>

Update: Luminant to Restart 575 MW Big Brown Coal-fired Unit 1 in Texas January 6

According to a filing with state regulators, Luminant shut the unit to repair a boiler tube leak.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=101993>

Update: Luminant to Restart 590 MW Sandow Coal-fired Unit 4 in Texas January 7

According to a filing with state regulators, the unit will restart after repairs.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=101989>

Update: AEP to Restart 528 MW Welsh Coal-fired Unit 2 in Texas January 5-7

It is unclear when or why the shutdown occurred. The unit should be back online January 5 to 7, according to a filing with state regulators.

Reuters, 09:27 January 7, 2008

TransAlta's 381 MW Keephills 2 Coal-fired Unit in Alberta Shut January 6

Reuters, 10:40 January 7, 2008

Sempra's 625 MW Termoelectrica De Mexicali 1 Gas-fired Unit in Mexico Shut January 6

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 150 MW on January 6.

<http://www.caiso.com/unitstatus/data/unitstatus200801061515.html>

PG&E Files Plans for 1,000-mile Transmission Line from Canada to California December 21

The 500-kV transmission line would connect British Columbia, the Pacific Northwest, and northern California. PG&E filed with the U.S. Federal Energy Regulatory Commission on December 21 for incentive rates and economic insurance, should the project stall mid-construction. PG&E, the line's principal developer, expects to finish construction by 2015, at the earliest.

<http://www.platts.com/Electric%20Power/News/6697234.xml?p=Electric%20Power/News&sub=Electric%20Power>

CPUC Issues Unfavorable Environmental Review on January 3 of SDG&E's Bid for 150-mile Sunrise Powerlink Transmission Line through Southern California

San Diego Gas & Electric's Sunrise Powerlink transmission line would cut through a state park, spoil views, and harm the environment, a California Public Utilities Commission (CPUC) report said January 3. The CPUC identified five proposed alternatives it said would cause less damage. SDG&E maintained it needs the line, as planned, to reliably move power. The ruling is not final. Pending public hearings, CPUC hopes to rule on the project by July 2008.

<http://www.signonsandiego.com/news/business/20080104-9999-1b4sunrise.html>

<http://www.cpuc.ca.gov/Environment/info/aspen/sunrise/toc-deir.htm>

Flaring at ExxonMobil's 562,500 b/d Baytown, Texas Refinery January 4

According to a filing with state regulators, a possible exchanger leak at a Tail Gas Cleanup unit led to reduced treatment of tail gas at a sulfur conversion unit. The incident resulted in flaring.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=102061>

Flaring at ExxonMobil's 348,500 b/d Beaumont, Texas Refinery January 5

According to a filing with state regulators, a liquid separator leak resulted in flaring. The event lasted through the night, January 5, ending mid-morning January 6. The incident did not impact production, a spokesperson said.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=102067>

Bloomberg, 12:28 January 7, 2008

Compressor Work, Flaring at Valero's 325,000 b/d Port Arthur, Texas Refinery January 6

Valero performed work on a gas compressor. The incident resulted in four hours of flaring, the company said.

Bloomberg, 10:42 January 7, 2008

Power Disruption Shuts Processing Units at Lyondell's 268,000 b/d Houston, Texas Refinery January 4

Power trouble stalled a thermal oxidizer and two in-line heater blowers, the company said. The event led to flaring.

Bloomberg, 11:10 January 7, 2008

Power Snag at ConocoPhillips 247,000 b/d Sweeny, Texas Refinery January 5

A transformer malfunction shut several aromatics units and resulted in flaring, the company said.

Bloomberg, 11:57 January 7, 2008

ConocoPhillips Reports Coker Hitch at 247,000 b/d Sweeny, Texas Refinery January 7

A problem with a blowdown settling drum led to flaring, the company said.

Bloomberg, 10:28 January 7, 2008

Flaring at Valero's 77,000 b/d Wilmington, California Refinery January 5

According to a filing with state regulators, the loss of sulphur train number 1 resulted in flaring.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/9a9a0f5c302ceddc882573c7005ebf4e?OpenDocument>

Bloomberg, 06:58 January 5, 2008

Power Failure Shuts SRUs at Delek's 60,000 b/d Tyler, Texas Refinery

Storms shut two sulfur recovery units (SRU) and a tail gas treating unit January 7. Workers restored both SRUs by early morning, and planned to bring back the gas unit before noon. It is unclear if the incident impacted production.

Bloomberg, 9:49 January 7, 2008

Update: ExxonMobil Completes Repairs at 62,200 b/d Billings, Montana Refinery

ExxonMobil's Billings, Montana refinery remains at reduced rates, but workers have completed repairs to all fire-damaged units, a company spokeswoman said. Fire slowed the facility October 17.

Bloomberg, 11:04 January 7, 2008

Update: StatoilHydro Restarts 20,000 b/d North Sea Platform January 6

Norway's StatoilHydro resumed production at its 20,000 b/d Veslefrikk, North Sea platform January 6, a spokesman said. He said the platform would return to full capacity by January 7. Severe weather shut the platform January 4.

Reuters, 03:23 January 7, 2008

Alaska Issues Preliminary Okay to TransCanada in Proposal for Natural Gas Pipeline from North Slope to Lower States—Says Plan Meets State Regulations January 4

Alaska partly approved TransCanada's plan to build the pipeline—slated to deliver North Slope natural gas to the lower 48 states—and an associated LNG terminal, the governor said. It also rejected four other companies' plans, citing non-compliance with state legislation, a news source said. The rulings ensure that TransCanada, should it move ahead with the pipeline, would be eligible for state financial aid. The decisions, however, do not guarantee construction. State and federal regulators have yet to evaluate the plans, in terms other than legislative compliance and feasibility. TransCanada's pipeline would cost \$26 billion, and connect with its Alberta hub, a company spokesman said. A separate proposal by ConocoPhillips is under state review. It does not require Alaska's funding. <http://www.platts.com/Natural%20Gas/News/6699319.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Reuters, 16:41 January 4, 2008

<http://www.gov.state.ak.us/news.php?id=817>

EnergySouth Launches Open Season for 12.0 Bcf New Natural Gas Storage Capacity at Mississippi Hub January 7

EnergySouth Midstream began a non-binding open season for up to 12.0 Bcf of natural gas storage capacity at two salt dome caverns in Mississippi, according to a press release. The caverns, or Mississippi Hub facility, earned federal approval in February, 2007, but are not yet online. EnergySouth expects to open the first in fourth quarter 2009, and the second in mid-2011. The open season will run from January 7 to January 25.

<http://biz.yahoo.com/bw/080107/20080107006044.html?v=1>

Other News

U.S. Army Corps of Engineers Suspends Permit for ICG's 650,000 ton/year Thunder Ridge Coal Mine -- Decision Halts Work at Kentucky Mine December 26

The International Coal Group's (ICG) Thunder Ridge surface coal mine closed December 26, after the U.S. Army Corps of Engineers (USACE) shelved a necessary clean water permit. USACE will review the permit, it said, and respond to an environmental lawsuit, which claims the mine is destroying streams and rivers. USACE did not say when it would make a decision.

<http://www.platts.com/Coal/News/6699417.xml?p=Coal/News&sub=Coal>

Energy Prices

U.S. Oil and Gas Prices January 7, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	95.29	95.45	56.05
NATURAL GAS Henry Hub \$/Million Btu	7.51	7.11	5.52

Source: Reuters

Energy Notes

On January 3, for Second Day in a Row, TVA Sets Winter Power Demand Record—31,854 MW -- Low Temperatures in Southeast U.S. Drive the Surge

<http://www.montgomeryadvertiser.com/apps/pbcs.dll/article?AID=2008801050340>

**Cooling Water Line Leaks at FirstEnergy's 898 MW Davis-Besse Nuclear Reactor—
“Seepage” is No Harm to Workers or Public, Company Says**

Bloomberg, 11:23 January 7, 2008

NRC Says Some Nuclear Component Dealers not Reporting Equipment Flaws

<http://www.platts.com/Nuclear/News/6699028.xml?p=Nuclear/News&sub=Nuclear>

Gas Pipeline Explodes, Kills one Worker in Michigan

<http://www.forbes.com/feeds/ap/2008/01/05/ap4498128.html>

**Vandals Rupture Key Crude Oil Pipeline in Nigeria, State-run Company Says
This Delays Plans for Refinery Restarts January 7**

<http://www.platts.com/Oil/News/8452388.xml?p=Oil/News&sub=Oil>

**Fire Rages, Kills at Least One at Iraq's 310,000 b/d Baiji Refinery January 7, but
Operations Continue**

http://news.yahoo.com/s/nm/20080107/wl_nm/iraq_oil_cause_dc_1:_ylt=AjW3AGGi3eVkJvMbkhUaxVOAsnsA

Reuters, 07:56 January 7, 2008

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

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